

Producing Positive Energy, Together.

2022 Sustainability Update



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Introduction



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- Company Profile
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“Pacific Canbriam is committed to protecting people and the environment through responsible natural resource development. In support of this commitment, we engage in industry-leading sustainability practices and promote continuous improvement throughout all areas of environmental, social and governance topics. We are proud to hold the EO100™ Standard Certification from Equitable Origin, which verifies our status as producers of responsibly-sourced gas.”

— Paul Myers, President, Pacific Canbriam Energy Limited

President's Message



Paul Myers President, Pacific Canbriam Energy Limited

To begin, I acknowledge the Treaty 8 territory on which Pacific Canbriam Energy Limited (Pacific Canbriam) operates. This is the traditional and ancestral territory of the Dunne-Za (ᑕᑭᑭᑭ or Beaver), Nêhiyawak (ᑭᑭᑭᑭ ᑭᑭ or Cree), Anishinaabe (ᑭᑭ 'dʒɪbweɪ or Ojibwe), and Métis Peoples. We also acknowledge the many Indigenous Peoples who have lived on and cared for these lands for generations. We are grateful for the Traditional Knowledge Keepers and Elders who are still with us today and those who have gone before us.

I am pleased to present Pacific Canbriam’s 2022 Sustainability Update, which highlights the progress we have made towards our goals over the past year. Pacific Canbriam was founded with the vision to develop resources sustainably, and we remain committed to driving continuous improvement and embedding sustainability across our operations.

Our sustainability approach is guided by four pillars: Climate and Ecosystem Protection, Transformative Indigenous Partnerships, Inclusive Development and Responsible Governance. We are proud to have made progress across all four pillars in 2022.

In line with our environmental commitments, we further reduced our emissions intensity, implemented innovative technologies to monitor and reduce emissions and explored options to target absolute emissions reductions. To minimize the impact of our operations on the environment, we recycled 97% of produced water and continued to reduce our land footprint through actions such as drilling our longest lateral well to date.

Developing long-term partnerships with Indigenous Rights Holders and actioning reconciliation remained foundational to our development approach. Through these partnerships, we continued to incorporate Indigenous Traditional Knowledge throughout the lifecycle of our operations, engaged in meaningful communication and implemented feedback in our development. In 2022, 100% of our employees and full-time contractors completed training on Indigenous Peoples’ rights, history and culture.

Last year, we advanced our commitment to provide inclusive and healthy environments. We held a Diversity, Equity and Inclusion training session for all employees, increased female representation and strengthened our safety management systems. Pacific Canbriam is proud to have partnered with organizations in the communities where we operate, supporting initiatives relating to education, wellbeing, culture and the environment.

Pacific Canbriam achieved re-verification under the Equitable Origin EO100™ Standard for Responsible Energy Development, demonstrating progress across all categories and confirming our sustainability practices as industry-leading. The EO100™ Standard drives continuous improvement, transparency and accountability throughout our company.

Looking forward, our goal remains to be an industry leader in the low carbon economy by challenging the status quo and holding ourselves accountable to global standards. As a responsible Canadian energy producer, we understand the important role our industry plays in addressing climate change, advancing reconciliation and meeting the growing global demand for reliable and responsibly-sourced energy. Through our partnership with Woodfibre LNG, Pacific Canbriam will supply the natural gas to be liquefied and exported to displace higher-emitting sources and reduce global emissions.

Pacific Canbriam recognizes that there is more to be accomplished on our sustainability journey, and while we are proud of our progress, we have just scratched the surface of what we can do. We remain committed to delivering responsibly-sourced natural gas produced to the highest standards. Together with Indigenous Rights Holders and stakeholders, we will continue to navigate the rapidly evolving energy landscape and drive progress towards a more sustainable future.

Sincerely,

A handwritten signature in black ink that reads "Paul B. Myers". The signature is fluid and cursive, with a long horizontal stroke at the end.

Paul Myers



About This Update

Reporting Period and Scope

This 2022 Sustainability Update, published on September 26, 2023, is PCE’s second sustainability report. This report is intended to provide transparency to our stakeholders as we progress along our sustainability journey. Building on our inaugural report, this publication covers the period January 1, 2022 - December 31, 2022, providing an update on our 2022 data and progress towards our commitments. PCE employs a biennial reporting cycle, consisting of a comprehensive sustainability report offset with a supplemental update between full reporting years.

The terms “Pacific Canbriam Energy Limited”, “PCE”, “Pacific Canbriam”, “Pacific Canbriam Energy”, “the Company”, “our”, “us”, “we”, all refer to Pacific Canbriam Energy.

This report has been prepared with reference to the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) where possible.

Verification

This report has been reviewed by PCE’s Executive Team and our 2022 Greenhouse Gas (GHG) data has been verified by the GHD Group, an independent verification body.

PCE reports using a biennial system, switching between full reports and update reports on alternate years. As this is our second year publishing a sustainability report, this document acts as an update to provide transparency on our progress in 2022. We look forward to sharing more detail about our goals and the actions we take to achieve them in our full report next year.

Forward-Looking Statements

This report contains forward-looking statements as to PCE’s expectations of future performance. Such statements may relate to our goals and targets, vision, and sustainability objectives. Use of the words “plans”, “strategy”, “targets”, “seeks”, “believes”, “continues”, “strives”, “will”, or similar expressions are intended to identify forward-looking statements/information. Readers are cautioned that these forward-looking statements are only predictions and are subject to uncertainties. PCE includes this information to assist readers in understanding our vision and goals.

Photography

All watermarked photos are by Dre Anderson. Dre is a photographer local to northeastern British Columbia (BC), a member of West Moberly First Nations and part of the Dokkie family. Photos reflect areas local to our operations. View Dre’s work on [Facebook](#) and [Instagram](#).



Get in Touch

For any questions relating to sustainability or this report, please email sustainability@pacific-canbriam.ca.



Company Profile

Producing Positive Energy, Together.

PCE is a Canadian energy company focused on the responsible production of liquids-rich natural gas. We are headquartered in Calgary, Alberta, with primary field operations in the Altares and Kobes Montney regions in northeastern British Columbia. PCE is a subsidiary of Pacific Energy Corporation Limited.

We are proud to be an industry leader in the production of responsibly-sourced natural gas and to hold site-level ESG certification. PCE is committed to driving excellence, teamwork, respect, integrity and sustainability across all aspects of our operations to build shared value for all our stakeholders.

Our Integrated Partner: Woodfibre LNG

PCE is strategically positioned to supply responsibly-sourced Canadian natural gas to Woodfibre LNG, which will be sent to overseas markets to displace heavy-emitting fuel sources. Located in British Columbia, Woodfibre LNG is the first export facility in the world to commit to net-zero emissions both through construction and during operations.

Our 5 C's Business Philosophy:

“Do what’s good for the Community, what’s good for the Country, what’s good for the Climate, and what’s good for the Customer. Only then will it be good for the Company.”

Key Operational Stats

56,303 boe/day 2022 annual production average	~330 MMcf/d Gas Processing Capacity
~350 km of Active Pipeline Infrastructure	~105,000 ha Land Base
1 Water Treatment Facility	~300,000 m³ Total Pond Capacity
100% Ownership of All Field Infrastructure	~100 Employees and Full-Time Contractors in 2022
Focus on Low Cost Structure and ESG Leadership	



With 100% of our operations in BC, PCE adheres to some of the most rigorous climate action regulation in the world.

The Clean BC plan sets a sectoral target for the oil and gas industry, which aims to reduce emissions 33% to 38% below 2007 levels by 2030, and outlines a provincial pathway to net-zero emissions by 2050. To ensure BC meets these targets, the provincial government introduced the 2023 Energy Action Framework, which will set out an emissions cap for the oil and gas sector in line with the upcoming federal nationwide regulatory cap.¹

¹ British Columbia [Climate action and accountability - Province of British Columbia \(gov.bc.ca\)](https://www2.gov.bc.ca/gov/content/climate-action)



2022 Sustainability Highlights

Inaugural Sustainability Report Published



Achieved Re-verification Under the Equitable Origin EO100™ Standard for Responsible Energy Development



39% of Management Positions Held by Women



41% Reduction in Methane Intensity From 2014



0.35 TRIF

44% decrease in Total Recordable Injury Frequency from 2019 (employee and contractor)



100% of Employees and Full-Time Contractors Completed Training on Indigenous Peoples' Rights, History and Culture



7% Reduction in Emissions Intensity From 2021

33% reduction in emissions intensity from 2014



\$15 M Annual Spend on Our Dormant Site Restoration Program



97% of Produced Water Recycled



Our Sustainability Approach

Four Pillar Framework

PCE's Sustainability Framework guides our sustainability goal setting, targets and strategy into 2030. Our framework is rooted in the Equitable Origin EO100™ principles and aligns with key United Nations Sustainable Development Goals (SDGs). Our material topics are housed within the pillars, and in this report, we use them to highlight our sustainability performance.

Strategy Pillars

Sustainable Development Goals Addressed

EO100™ Principles Incorporated

Material Topics



*We have updated "Responsible Governance" from "Responsible Production" to better represent the topics covered



Climate and Ecosystem Protection



In this section

- Emissions Reduction
- Land Management
- Water Management

Key United Nations SDGs



Our Approach

We remain committed to minimizing emissions and our environmental impact. Energy is a key driver of economic growth and sustainable development,² and the Canadian energy industry is uniquely positioned to be a global leader. PCE's climate-related projects help to achieve BC and Canada's ambitious climate goals, contributing to a net-zero future while addressing cumulative impacts from development.

We know that our actions today protect the ecosystems and biodiversity of tomorrow, and ultimately ensure a sustainable future. PCE is proud of the progress we have made in 2022 to minimize emissions, reduce land disturbance and preserve water resources.

² GRI Standard, Oil and Gas Sector 2021

Emissions Reduction

In 2022, PCE remained committed to contributing to a net-zero future.

We further reduced our emissions intensity to **0.0116 tCO₂e/boe**, representing a 7% decrease from 2021. This decrease is mainly due to increased operational efficiencies. Our low methane intensity remained industry leading at **0.0018 tCO₂e/boe** and continued to enable the sale of Methane Performance Certificates (natural gas certified to hold a methane intensity of < 0.1%).

PCE understands the importance of reducing absolute emissions and we are prioritizing absolute emissions reduction pathways. As a long-term option, PCE is pursuing electrification to align with the provincial pathway to net-zero emissions by 2050, as well as BC’s sectoral target of reducing emissions 33% to 38% below 2007 levels by 2030.

As 80% of PCE’s Scope 1 emissions are associated with our company-owned gas plant facilities, electrification will significantly reduce our absolute emissions.

Importantly, British Columbia has enacted a policy change amending the Global Warming Potential (GWP) of methane from 25 to 28 to align with the Intergovernmental Panel on Climate Change (IPCC)’s Fifth Assessment Report.³ As a result, PCE experienced a slight increase in methane intensity (0.00021 tCO₂e/boe increase).

³ Province of British Columbia, Order of the Lieutenant Governor in [Order in Council No. 682](#)

Our emissions intensity is one of the lowest in our sector in BC. For more information, please see our 2021 Report on Sustainability.



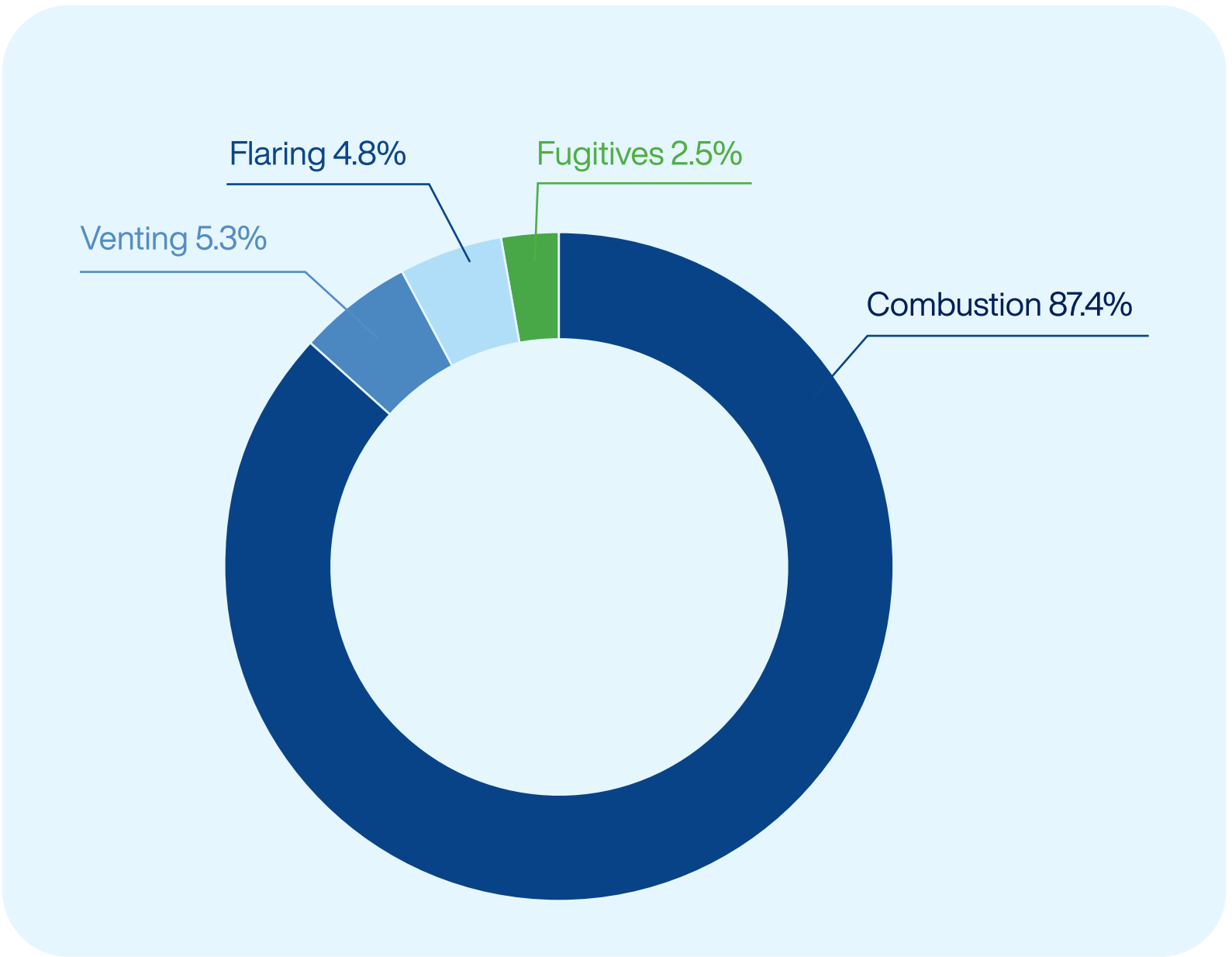
Our Emissions Intensity



We have reduced our emissions intensity by 7% in the last year, and 33% since 2014.

PCE reports Scope 1 and 2 emissions. This includes all emissions from our company-owned gas plant, as well as emissions from drilling and completions. Our annual GHG inventory is produced in alignment with the Western Climate Initiative (WCI), in accordance with ISO 14064 Greenhouse Gases, and is verified by an accredited third party.

Scope 1 Emissions (tCO₂e)



PCE 2022 Scope 1 and 2 Emissions (tCO₂e)

Scope	Percentage
Scope 1	99.997%
Scope 2	0.003%



In line with our 2021 commitments, PCE:

- Started to procure only electric or zero-bleed devices for all new projects.
- Implemented a waste-heat recovery system at the Phase 3 expansion of our b-72-A Altares gas processing facility. Notably, Phase 3 is estimated to be 14% more efficient than previous phases on an emissions intensity basis.
- Implemented the QUBE Continuous Air Monitoring Pilot for GHG emissions and air pollutant data capture. QUBE provides real-time detection and measurement of emissions. This information can be used to efficiently manage leaks and perform repairs as needed.
- Drafted emissions reduction goals and our Climate Change Strategy.

PCE strives to reduce trucking-related Scope 3 emissions. Our pipeline-connected main field eliminates the need for trucking from regular operations. However, at the end of 2022 we experienced third-party midstream impacts which necessitated the trucking of condensate and LPG from gas plants. These impacts continued into 2023.



📍 Twin Sisters, British Columbia

Dre Anderson Photography

Key 2022 Statistics

7% Reduction in Emissions Intensity ↓

From 2021 (33% reduction from 2014)

Eliminated Nearly 24,000 tCO₂e to Date Through Our Pipeline-Connected Main Field

By displacing the trucking of over 5.2 billion litres of fluids

92% Lower Methane Intensity ↓

Than the US industry average⁴

Continuous Air Monitoring Pilot Implemented

For GHG emissions and air pollutant data capture

Our Fuel Gas Emits 24% Less GHG Emissions Than Diesel

To date, we have displaced 16 million litres of diesel from our drilling and completions operations, which equates to 2,300 cars taken off the road for a year⁵

⁴ Based on the 2022 Xpansiv Methane Intensity Benchmark of 0.428%, [Xpansiv DMRV for Digital Natural Gas Asset Specification](#)

⁵ Based on EPA Guidelines, <https://www.epa.gov/greenvehicles/tailpipe-greenhouse-gas-emissions-typical-passenger-vehicle>

⁶ Includes decommissioning and closure, post-decommissioning and closure monitoring, and field and facility aftercare

Our 2022 Impact

Land Management

PCE’s land management strategy works to reduce our environmental impact by minimizing surface disturbance and reclaiming sites.

We reduce and optimize the number of well pads required to develop our land base through collaboration with other tenure holders, utilizing existing disturbances, building multi-well pads and increasing lateral well distance.

PCE has more than halved the number of pads required, reducing the amount of land disturbed by ~50%, and in 2022, we drilled our longest lateral well to date. We expect to replicate this result in the future as we continue to minimize our environmental footprint.

PCE is prioritizing reclamation. Last year, we increased and strengthened our partnerships with Indigenous Rights Holders and Indigenous-owned companies to continue the Dormant Site Restoration Program (DSRP). We completed downhole abandonment on 15 wells, performed 20 preliminary and detailed site investigations, reclaimed two well pads and associated access points, and received one Certificate of Restoration.

As part of the 2023 DSRP, PCE is planning downhole abandonment, cut and cap, and complete surface decommissioning of 11 sites as well as the remediation and reclamation of an additional 10 sites. In total, the 2023 dormant site closure activities will include 29 sites including associated access.

Key 2022 Statistics

\$15 Million

Annual spend on our Dormant Site Restoration Program⁶

4.16 Hectares

Of land replanted



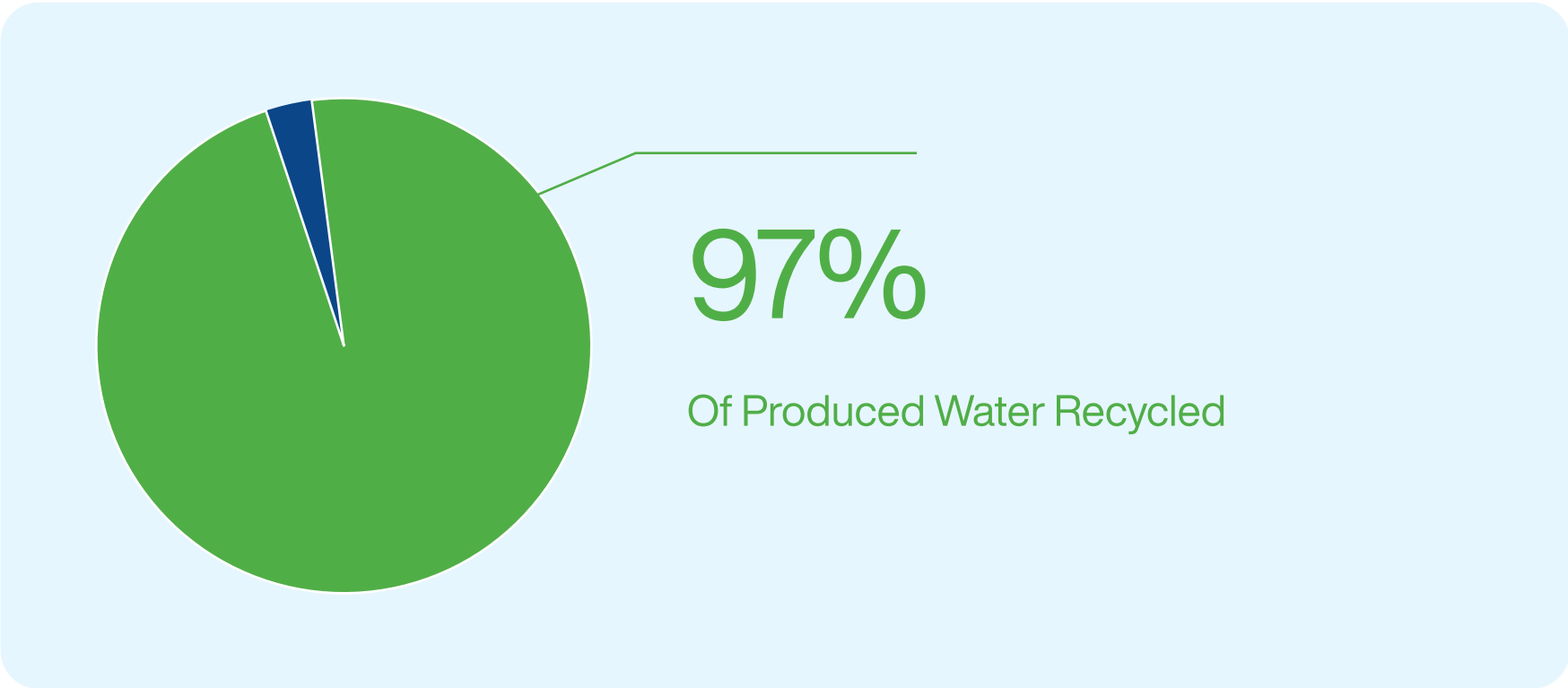
Water Management

PCE is committed to protecting water resources and minimizing the use of freshwater.


In 2022, we continued to prioritize and invest in responsible water management, and we are proud to have recycled 97% of produced water (increased from 92% in 2021). Our new water storage facility was completed, which increased PCE’s recycling capacity by 125,000 m³. All new pad development continues to be water-pipeline connected, taking water trucks off the road from routine operations.

In 2022, our water pipelines transported over 1,600,000 m³ of water, which would have otherwise necessitated more than 30,000 truckloads.

Key 2022 Statistics

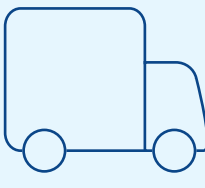


Our Water Infrastructure at a Glance:




Recycle

PCE’s centralized water recycling facility allows us to re-use up to 99% of our produced water.




Transport

Our field is water-pipeline connected, meaning water pipelines connect operations to our water recycling facility and back-up reservoir. This greatly reduces trucking requirements from regular operations, which minimizes both emissions and traffic.




Storage

PCE has ~300,000 m³ total pond capacity, including 6 ponds and 4 above-ground permanent C-Rings. Increased storage enables PCE to recycle more water.



Disposal

Any wastewater is disposed through a series of PCE-operated disposal wells that are continuously monitored by our passive seismic monitoring array.



Williston Lake Reservoir

We strive to avoid the use of freshwater, however, at times we may require more water than we produce and re-use. If required, PCE is able to source water from the man-made Williston Lake Reservoir, which is pipeline-connected to our facilities.

For more information on our land and water management strategy, please see our **2021 Report on Sustainability**. [↗](#)



Transformative Indigenous Partnerships

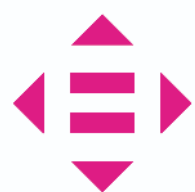


In this section

- Indigenous Peoples' Rights and Engagement

Key United Nations SDGs

10
REDUCED
INEQUALITIES



17
PARTNERSHIPS
FOR THE GOALS



📍 Moberly Lake, British Columbia

Our Approach

Respectful “early and often” engagement with Indigenous Peoples is fundamental to PCE’s operations.

We greatly value the relationships we have built and continue to strengthen with Indigenous communities. Indigenous Rights Holders are the stewards of the resources on their land and we respect their rights through the development of long-term sustainable partnerships that exceed regulatory requirements.

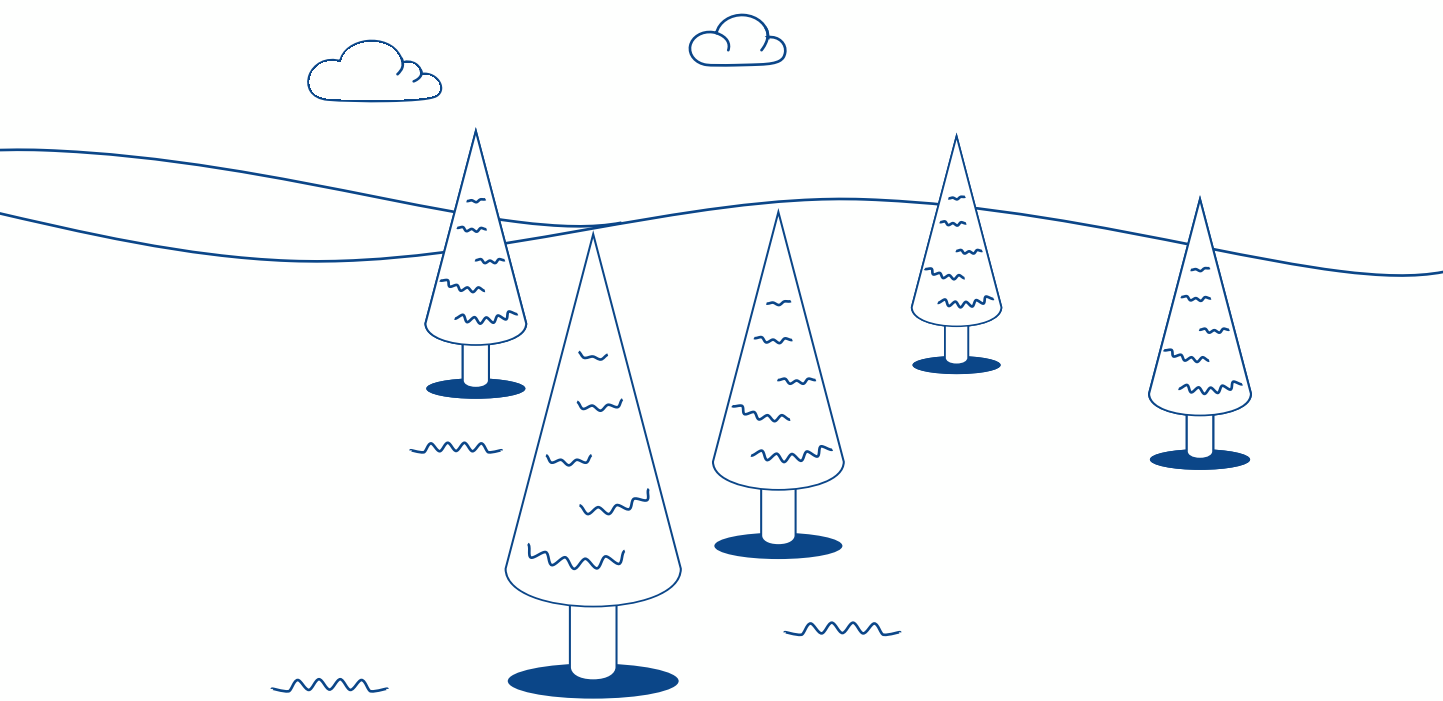
In recognition of the role of business in reconciliation, our engagement approach takes the form of a Truth and Reconciliation Action Plan. For details on the Action Plan, please see our [2021 Report on Sustainability](#).

Dre Anderson Photography

Indigenous Peoples’ Rights and Engagement

PCE operates on the traditional Indigenous lands of the West Moberly First Nations (WMFN), Halfway River First Nation (HRFN), Saulteau First Nations (SFN), Blueberry River First Nations (BRFN), Doig River First Nation (DRFN), and Métis Nation of British Columbia.

In 2022, we focused on strengthening our partnerships with Indigenous communities, developing industry-leading best practices for engagement, and further embedding Indigenous Traditional Knowledge at each stage of our project lifecycle. From pre-disturbance to asset retirement, Indigenous representatives are engaged to share their knowledge on any biodiversity, ecosystem, or cultural impact that may result from our operations. Indigenous representatives work alongside archaeologists and biologists to ensure Traditional Knowledge is incorporated into construction planning and that cultural and environmental concerns are addressed.



PCE worked closely with a number of Indigenous communities to address concerns and develop new ways to manage the impact of our operations on local wildlife. **As a result, we have committed to the following projects:**

- 1. Installing wildlife cameras at strategic locations to monitor wildlife movement throughout the lifecycle of our projects. This will help PCE to better understand how our development impacts wildlife so we can make the necessary adjustments.
- 2. Progressive reclamation: a standard best practice that means “cleaning up while you work”. **This means PCE will:**
 - Use ecologically-suitable species to re-establish part of the disturbed area that is no longer required for ongoing operations. This includes replanting riparian areas at stream crossings.
 - Work collaboratively with Indigenous communities to develop restoration and mitigation plans where PCE development intersects legacy seismic lines. This will further reduce cumulative impacts by addressing wildlife access and predation concerns.

We will continue to work with Indigenous communities to find new ways to manage cumulative impacts at each stage of PCE development.

In 2022, we successfully completed our Dormant Site Restoration Program in collaboration with the Halfway River Group (HRG), a 100% Halfway River First Nation-owned company. In addition to working with HRG, we continued to work closely with West Moberly-DWB, a WMFN joint venture company, on reclamation planning. PCE also procured plants for reclamation from Twin Sisters Nursery, a joint venture between SFN and WMFN. We look forward to increasing our engagement with other Indigenous communities as we move forward.

Key 2022 Statistics



For more information on our Indigenous partnerships and engagement strategy, please see our **2021 Report on Sustainability**. [↗](#)





Inclusive Development

In this section

- Health and Safety
- Our People
- Community Engagement

Key United Nations SDGs

5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



Our Approach

PCE is committed to making a positive social impact through our operations.

We support employees, contractors, and local communities by fostering inclusive, equitable, and safe environments. In 2022, we continued to uphold our leading safety standards, prioritize employee development and training, and build shared value for our stakeholders through open engagement.

Health and Safety

Our continued focus on safety is foundational to the production of responsibly-sourced natural gas. Last year, PCE continued to enhance our Health and Safety Management System to maintain the highest industry standards, focusing on the areas of personal and process safety, as well as emergency preparedness.

PCE's Health and Safety Management System is aligned with the International Organization for Standardization (ISO).

Key 2022 Statistics

0.35 TRIF

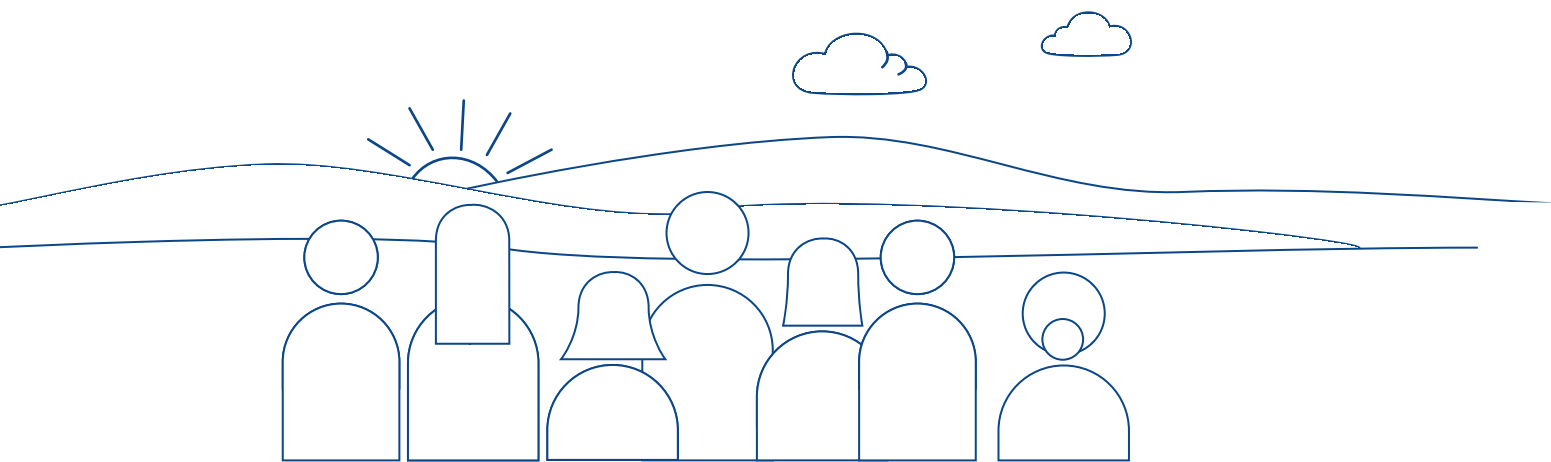
>44% decrease in Total Recordable Injury Frequency from 2019 (employee and contractor)

Zero Tier 1 and Tier 2

Operational Process Safety Events

2.2 Million Hours Worked

The highest number of exposure hours to date



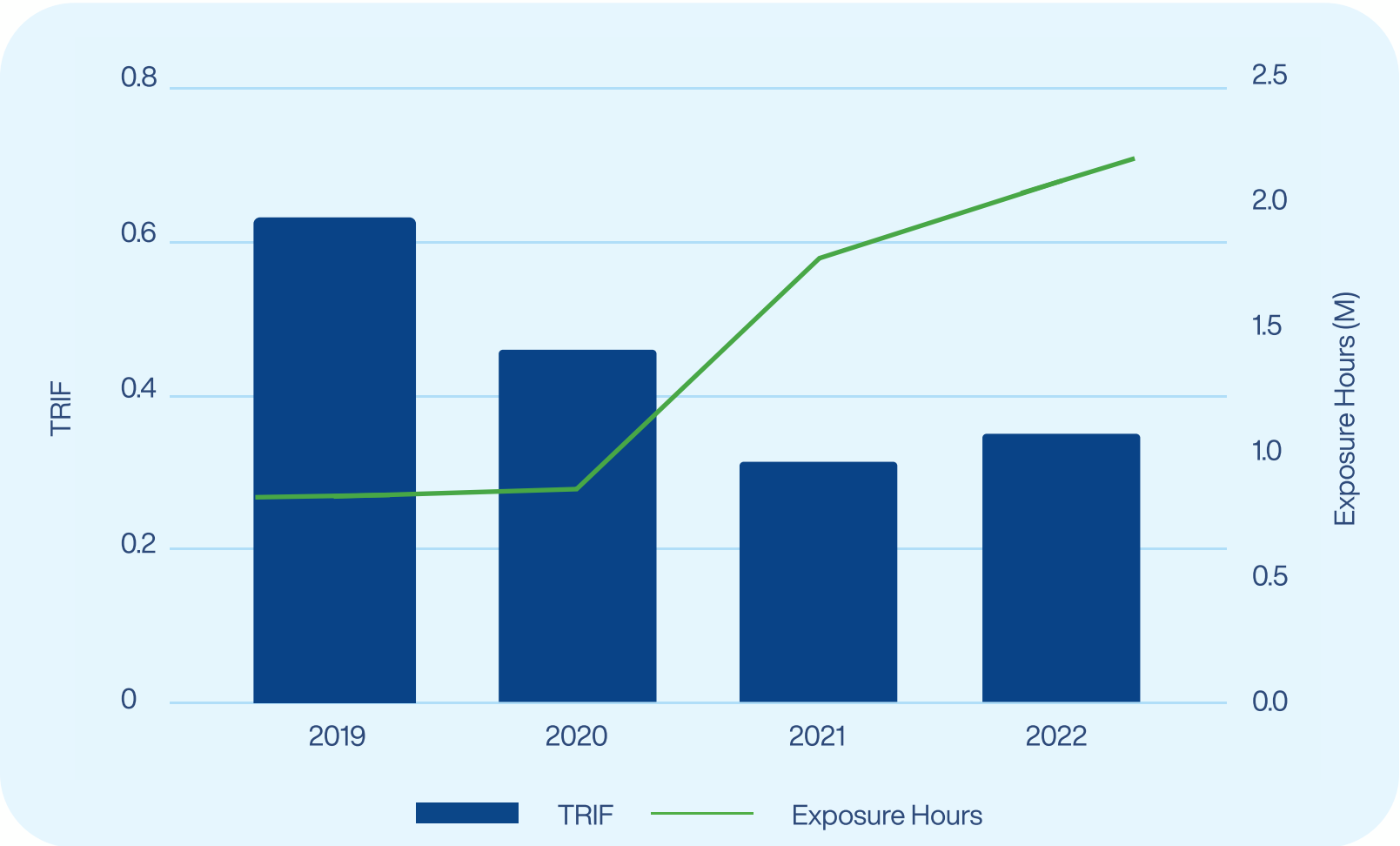
Personal Safety

In 2022, we experienced a slight increase in our TRIF with the highest number of exposure hours to date. **In response, PCE took immediate action through the following:**

- Renewed our focus on embedding Energy Canada's Life Saving Rules (LSR), a common set of rules that establish a consistent approach to prevent serious injuries and fatalities.
- Prioritized identifying and eliminating 'Line of Fire Hazards', which contributed the most to our TRIF performance.
- Deployed our 'Hazard Identification' program to improve personal safety.

Yearly *TRIF vs. Exposure Hours

*Total Recordable Injury Frequency



Process Safety

PCE is continuously improving our Process Safety Management to ensure hazardous substances are not released into the environment. Our process safety incidents are measured by significance – with Tier 1 incidents assigned the highest significance – as per industry standards. As a result of PCE's strong focus on process safety and asset integrity, we experienced zero Tier 1 and Tier 2 Operational Process Safety Events in 2022.

PCE is working to improve Asset Integrity through the deployment of Process Control Frameworks. Key focus areas moving forward include Leaks and Spills and improving Preventative and Corrective Maintenance.

Due to our increased focus on regulatory compliance, PCE outperformed the industry average for compliance ratings in 2022. This rating includes all onsite inspections completed by the BC Energy Regulator (BCER) and speaks to the ownership by all field personnel.

Emergency Preparedness

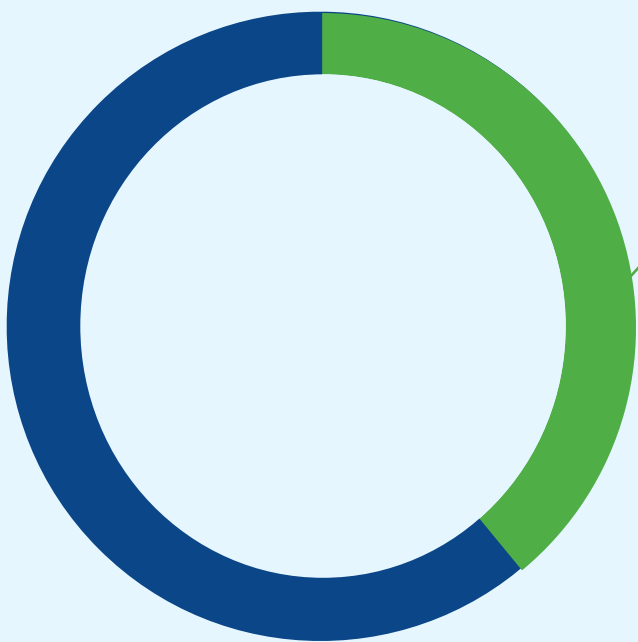
As a result of our increased focus on emergency response, PCE is progressing towards having all field personnel complete the Incident Command System ICS-100 and ICS-200 training on emergency preparedness. This ensures our people are prepared and ready to respond to emergencies should they occur. In 2022, PCE utilized our Emergency Preparedness Planning Process and proactive Incident Command Structure to implement a week-long Emergency Operations Center in response to the wildfires in northeast British Columbia. We are proud of how our people came together to successfully mitigate risks during this crisis.



Our People

Our people continue to be the foundation of our success, and our diverse team drives innovation and performance. In 2022, female representation in management and board positions was 39% and 33% respectively. To progress towards our goals of providing equal opportunities and increasing diversity, we published our Equal Opportunity Employer Statement and held an introductory Diversity, Equity and Inclusion (DEI) 101 training course for all employees.

At PCE, we continuously strive to develop new opportunities for our employees and ensure they are equipped with the skills needed to succeed. As a result, we kicked off a new Employee Development Plan that will guide career progression and enable future training. As part of this plan, we provide training opportunities according to employees' specifically identified needs. In addition, we continued to support employees with hybrid work options.



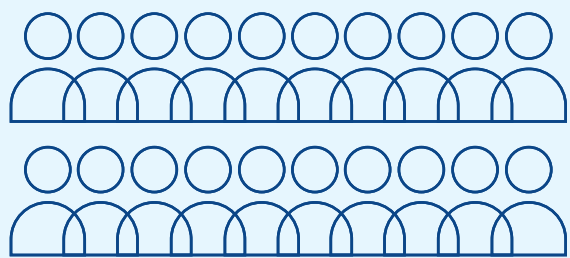
39%

Of Management Positions Held by Women

Community Engagement

PCE actively contributes to organizations and causes in the communities where we live and work. Last year, we engaged with 20 organizations in the communities local to our operations, supporting initiatives across the focus areas of education, wellbeing, culture, and the environment. We are proud to maintain strong relationships with local stakeholders through open dialogue and “early and often” engagement to understand concerns and mitigate risks pre-emptively.

Key 2022 Statistics



20 Partnerships

With local community organizations



Salvation Army Hygiene Drive



Halfway River First Nation Rodeo



Saulteau First Nations Golf Tournament



Closer to Home, Youth Mental Health Program



Do you have a Northeast British Columbia-based organization in mind for our social investment program?

Reach out to us at engage@pacific-canbriam.ca to learn more about how you can apply.

For more information on our health and safety, our people, and community engagement, please see our **2021 Report on Sustainability**.



Responsible Governance



In this section

- Corporate Governance

Key United Nations SDGs

7 AFFORDABLE AND
CLEAN ENERGY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



Our Approach

PCE remains committed to the highest standards of corporate governance, accountability and ethical leadership.

We comply with all applicable laws, meet or exceed regulations, and uphold international standards of human rights across our operations. Our Workplace Respect Policy, contained within the Employee Handbook, outlines the right to a safe workplace, including anti-discrimination and harassment, freedom of association, and workers' right to unionize in accordance with International Labour Organization (ILO) conventions. Our handbook also includes PCE's Code of Business Conduct and Social Responsibility, which all PCE employees must acknowledge and sign.

PCE is proud to be certified by the Equitable Origin EO100™ Standard for Responsible Energy Development, a set of rigorous standards that drives innovation and industry-leading ESG performance. PCE's Executive Team has committed to adopting the EO100™ Standard and embedding its principles across PCE's management systems. EO100™ certification includes a robust review of our corporate governance, transparency and ethics across 62 performance targets. To achieve certification, a third-party audit was conducted to assess our corporate policies, operations, practices and external impacts. This audit involved field visits and stakeholder interviews to ensure compliance. Similar audits will be conducted on an annual basis in order to maintain certification and ensure continuous improvement as well as transparency.

Corporate Governance and Sustainability



The Equitable Origin EO100™ Standard for Responsible Energy Development certifies energy producers via third-party independent verification that evaluates their commitment to best practices in ESG. The Standard creates metrics and performance targets to objectively evaluate the ESG impacts of energy projects. Through certification, Equitable Origin provides credibility, transparency and independent recognition to energy producers which significantly reduces ESG risks.⁷ Learn more on the Equitable Origin website: [EO100™ Standard for Responsible Energy Development - Energy Standards](#).

⁷ Equitable Origin [EO100™ Standard for Responsible Energy Development - Energy Standards](#)

In 2022, PCE continued to embed sustainability into daily operations across the company.

We received EO100™ re-verification and progressed to achieve Equitable Origin's levels 2 and 3 performance targets in several areas. This indicates that our performance exceeds industry best practices and demonstrates leadership. To strengthen our sustainability reporting, we increased our disclosures toward alignment with the Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI) and are developing a Task Force on Climate Related Financial Disclosures (TCFD) alignment strategy.

Sustainability Management

Sustainability is championed by the Executive Team, managed by our Sustainability/ESG Committee and implemented by leaders across the company. In 2022, our Sustainability/ESG Committee continued to meet on a regular basis to ensure alignment across the company and progress towards our Equitable Origin continuous improvement plan.



📍 Moberly Lake, British Columbia

Dre Anderson Photography

Key 2022 Statistics

33% Women on PCE’s Board of Directors, a 16% increase from 2021

Re-verified our status as producers of responsibly-sourced gas

Launched the first stage of our vendor ESG Questionnaire to progress our responsible supply chain

Corporate incentive program remained linked to PCE’s ESG performance

For more information on our corporate governance strategy, please see our **2021 Report on Sustainability**.








































Appendix



In this section

- Commitment Tracker
- Sustainability Performance Table

Commitment Tracker

Framework Pillars	Material Topics	Commitment	Current Progress
Climate & Ecosystem Protection	 Emissions Reduction	Procure electric or zero-bleed devices for all projects	Complete 
		Implement a continuous monitoring pilot for GHG emissions	Complete 
		Assess waste heat recovery options for existing facilities	Complete 
		Explore electrification opportunities	Complete 
		Implement rod packing vent capture at our gas processing facilities	In progress 
		Build a 5-year emissions reduction plan	In progress 
		Develop a climate change strategy	In progress 
		Evaluate carbon capture potential	In progress 
	 Land Management	Increase reclamation partnerships with Indigenous communities	Complete 
		Develop a biodiversity action plan and mitigation hierarchy	In progress 
		Complete well abandonment and remediation/reclamation at over 20 sites	In progress 
	 Water Management	Increase water reuse and minimize freshwater usage through infrastructure upgrades	In progress 
Transformative Indigenous Partnerships	 Indigenous Peoples' Rights and Engagement	Achieve 100% employee training on relevant Indigenous history, rights and culture	Complete 
Implement results of the Regional Strategic Environmental Assessment and Land and Resource Management Plan working groups		In progress 	
Inclusive Development	 Our People	Publish our Equal Opportunity Employer statement	Complete 
		Provide 100% of employees with training on diversity, equity and inclusion	Complete 
		Update our Employee Handbook to reflect our respect for workers' rights	Complete 
		Create individual development plans for all employees	In progress 
	 Community Engagement	Implement our Stakeholder Engagement Strategy	In progress 
		Implement a Local Content Policy	In progress 
	 Health and Safety	Achieve a TRIF of <0.31	Not achieved 
		Zero lost-time incidents	Not achieved 
		Increase focus on regulatory compliance and spill mitigation	Complete 
		Increase focus on emergency response training	Complete 
Responsible Governance	 Corporate Governance	Achieve 30% women on PCE's Board of Directors	Complete 
		Continue to implement the EO100™ Standard at each stage of our operations	Complete 
		Progress to adopt PT2 EO100™ Certification	In progress 
		Progress responsible supply chain: implement vendor sustainability assessment framework	In progress 
		Increase alignment with sustainability reporting standards	In progress 



Sustainability Performance Table

Activity	Units	2021	2022	GRI Indicator	SASB Indicator
Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	Boe/day	39,120	56,303		EM-EP-000.a
Workforce Profile					
Total staff (employees and contractors)	Number	95	101		
Total employees	Number	44	52	GRI 2-7	
Contractors and temporary employees	Number	51	49	GRI 2-8	
Employee voluntary turnover	Percentage (%)	8.9	6.2	GRI 401-1, 11.10.2	
Diversity, Employees					
Women in the workforce (employee)	Percentage (%)	41	45	GRI 405-1, 11.11.5	
Women on the Board of Directors	Percentage (%)	17	33	GRI 405-1, 11.11.5	
Women in management positions (employee)	Percentage (%)	Not reported	39	GRI 405-1, 11.11.5	
Women on the Executive Committee	Percentage (%)	Not reported	13	GRI 405-1, 11.11.5	
Employees age 30 years and under	Percentage (%)	9	4	GRI 405-1, 11.11.5	
Employees age 30-50	Percentage (%)	68	69	GRI 405-1, 11.11.5	
Employees over 50	Percentage (%)	23	27	GRI 405-1, 11.11.5	
Total spending on training (employee)	Dollar (\$)	40,821	60,397		
Average training spend per employee	Dollar (\$)	928	1,161		
Health and Safety					
Total Recordable Injury Frequency (employee)	Cases/200,000 work hours	0	1.5	GRI 403-9, 11.9.10	EM-EP-320a.1
Total Recordable Injury Frequency (contractor)	Cases/200,000 work hours	0.33	0.28	GRI 403-9, 11.9.10	EM-EP-320a.1
Total Recordable Injury Frequency (employee and contractor)	Cases/200,000 work hours	0.31	0.35	GRI 403-9, 11.9.10	EM-EP-320a.1
Fatalities (employee and contractor)	Number	0	0	GRI 403-9, 11.9.10	EM-EP-320a.1
Recordable work-related injuries (employee)	Number	0	1	GRI 403-9, 11.9.10	EM-EP-320a.1
Recordable work-related injuries (contractor)	Number	3	3	GRI 403-9, 11.9.10	EM-EP-320a.1
Onsite employee safety training completion (employee and contractor)	Percentage (%)	100	100		
Hours worked (employee and contractor)	Number	1,910,552	2,255,789		
Hazard Identification	Number	1406	1325		



Sustainability Performance Table

Activity	Units	2021	2022	GRI Indicator	SASB Indicator
Security, Human Rights & Rights of Indigenous Peoples					
Proved reserves in or near areas of conflict	Percentage (%)	0	0		EM-EP-210a.1
Probable reserves in or near areas of conflict	Percentage (%)	0	0		EM-EP-210a.1
Total operational spend with Indigenous vendors	Percentage (%)	13.9	13		
Emissions					
Direct Scope 1 (total)	Tonnes CO ₂ e	178,170	238,945	GRI 305-1, 11.1.5	EM-EP-110a.1
Combustion	Tonnes CO ₂ e	160,501	208,849	GRI 305-1, 11.1.5	EM-EP-110a.2
Vent	Tonnes CO ₂ e	4,930	12,565	GRI 305-1, 11.1.5	EM-EP-110a.2
Flare	Tonnes CO ₂ e	6,965	11,472	GRI 305-1, 11.1.5	EM-EP-110a.2
Fugitive	Tonnes CO ₂ e	5,772	6,059	GRI 305-1, 11.1.5	EM-EP-110a.2
Indirect Scope 2 Emissions	Tonnes CO ₂ e	13	6	GRI 305-2, 11.1.6	
Emissions intensity (Scope 1 & 2)	Tonnes CO ₂ e/boe	0.0125	0.0116	GRI 305-4, 11.1.8	
Methane intensity	Tonnes CO ₂ e/boe	0.0016	0.0018		
Methane emissions (as % of Scope 1 emissions)	Percentage (%)	12.5	15.3		EM-EP-110a.1
Covered under emissions-limiting regulations	Percentage (%)	100	100		EM-EP-110a.1
Air Quality					
Nitrogen oxides (NO _x) (excluding N ₂ O)	Metric tonnes	Not reported	1692	GRI 305-7, 11.3.2	EM-EP-120a.1
Volatile organic compounds (VOCs)	Metric tonnes	Not reported	188	GRI 305-7, 11.3.2	EM-EP-120a.1
Particulate matter (PM ₁₀)	Metric tonnes	Not reported	40	GRI 305-7, 11.3.2	EM-EP-120a.1
Sulfur oxides (SO _x)	Metric tonnes	Not reported	26	GRI 305-7, 11.3.2	
Water					
Total fresh water withdrawn	Cubic meters (m ³)	386,033	43,864	GRI 303-3, 11.6.4	EM-EP-140a.1
Total fresh water consumed	Cubic meters (m ³)	386,033	43,864	GRI 303-5, 11.6.6	EM-EP-140a.1
Total fresh water withdrawn/consumed in regions with high or extremely high baseline water stress	Percentage (%)	0	0	GRI 303-3, 11.6.4	EM-EP-140a.1
Volume of produced water and flowback generated	Cubic meters (m ³)	337,998	771,458	GRI 303-4, 11.6.5	EM-EP-140a.2
Volume of produced water and flowback utilized	Cubic meters (m ³)	383,650	824,196	GRI 303-4, 11.6.5	EM-EP-140a.2
Produced water injected	Percentage (%)	7.5	2.5		EM-EP-140a.2
Produced water discharged	Percentage (%)	0	0	GRI 303-4, 11.6.5	EM-EP-140a.2



Sustainability Performance Table

Activity	Units	2021	2022	GRI Indicator	SASB Indicator
Produced water recycled	Percentage (%)	92.5	97.5		EM-EP-140a.2
Hydrocarbon content in discharged water	Metric tonnes	N/A	N/A		
Water withdrawals by source					
Surface Water	Cubic meters (m ³)	386,033	43,864	GRI 303-3, 11.6.4	
Ground Water	Cubic meters (m ³)	0	0	GRI 303-3, 11.6.4	
Produced Water	Cubic meters (m ³)	71,047	72,331	GRI 303-3, 11.6.4	
Hydraulically fractured wells for which there is pubic disclosure of all fracturing fluid chemicals used	Percentage (%)	100	100		EM-EP-140a.3
Land Use and Biodiversity					
Total PCE lands (all lands, less overlapping lands)	Hectares (ha)	85,348	104,684.25		
Total PCE surface footprint	Hectares (ha)	1,409.13	1,459.87		
Active operated wells (gross)	Number	130	168		
Inactive operated wells (gross)	Number	91	90		
Downhole abandonment (gross)	Number	3	15		
Abandoned operated wells cut & capped (gross)	Number	5	6		
Total wells in active reclamation	Number	2	10	GRI 304-3, 11.4.4	
Restoration certificates received	Number	0	1	GRI 304-3, 11.4.4	
Total annual spend on Dormant Site Restoration Program	Dollar (\$)	1.7 M	15.2 M	GRI 11.76	
Spill Prevention					
Total reportable spills	Number	6	5	GRI 306-3, 11.8.2	EM-EP-160a.2
Total volume of reportable spills	Barrels (bbl)	94.35	50	GRI 306-3, 11.8.2	EM-EP-160a.2
Volume of spills in Arctic	Barrels (bbl)	0	0		EM-EP-160a.2
Volume impacting shorelines with ESI rankings 8-10	Barrels (bbl)	0	0		EM-EP-160a.2
Volume of spills recovered	Barrels (bbl)	94.35	50	GRI 306-3, 11.8.2	EM-EP-160a.2
Spill related fines and penalties	Dollar (\$)	0	0		
Business Ethics and Transparency					
Percentage of proved reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Percentage (%)	0	0		EM-EP-510a.1
Percentage of probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Percentage (%)	0	0		EM-EP-510a.1



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